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## **STATES GET FEDERAL GRANTS TO HELP PEOPLE WITH DISABILITIES LIVE IN THE COMMUNITY**

HHS Secretary Mike Leavitt today awarded nearly \$20 million in grants to states to develop programs for people with disabilities or long term illnesses. The “Real Choice Systems Change Grants for Community Living” will help states and territories “rebalance” their long-term support programs to help people with chronic illness or disabilities to reside in their homes and participate fully in community life.

“These grants will help states take full advantage of the opportunities to reform their Medicaid long-term care systems offered by the recently passed Deficit Reduction Act of 2006 and remove barriers to equality for the 54 million Americans living with disabilities,” Secretary Leavitt said. “They will help persons with disabilities exercise meaningful choices about how and where to live their lives.”

The Bush Administration has promoted the goal of community living for people with disabilities through the *New Freedom Initiative*. Under this initiative 10 federal agencies have collaborated to remove barriers to community living. The additional funding for “Real Choice Systems Change Grants for Community Living” approved by Congress for 2006 will augment efforts begun in FY 2001 to help states improve their community-based services.

“The grants awarded today will help states make lasting improvements to their home and community based services programs,” said Mark B. McClellan, M.D., Ph.D., administrator of the Centers for Medicare & Medicaid Services (CMS). “This program is vital in helping Medicaid move from its institutional bias to a program that truly meets the needs of people who depend upon it.” The eight states receiving 2006 awards are; California, Virginia, Michigan, North Carolina, New York, New Jersey, Rhode Island and Kansas.

Since 2001, CMS has awarded 306 Real Choices grants, totaling approximately \$237 million to 50 states, Guam, the Northern Mariana Islands and the District of Columbia.

For this round of grant awards, CMS will require states receiving grant money to address at least three of the six goals necessary to transform Medicaid program incentives away from institutional care with options for care at home and in the community. The goals include:

- Improving access to information regarding the full range of community-based services available;
- Promulgation of more self-directed service delivery systems;
- Implementation of comprehensive quality management system;
- Development of information technology to support community living;
- Flexible financing arrangements that promote community living options; and
- Long-term supports coordinated with affordable and accessible housing.

By providing important support for rebalancing long-term care services, the Real Choice Systems Change program has paved the way for the much more extensive options now available to states since the passage of the Deficit Reduction Act of 2006 to help states create greater opportunities for community living. The centerpiece of these efforts is a major new funding opportunity for states through the Money Follows the Person Rebalancing Demonstration.

This demonstration provides up to \$1.75 billion to eligible states to transition individuals from institutions who want to live in the community and rebalance their entire long-term care system to ensure individuals have a choice of where they want to live and receive services. While applications for this demonstration are not due until Nov. 1, 35 states have expressed interest in applying.

For more information on the New Freedom Initiative, visit the CMS Web site at:  
<http://www.cms.hhs.gov/newfreedom/>.

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Note: All HHS press releases, fact sheets and other press materials are available at <http://www.hhs.gov/news>.